



Department of Justice

FOR IMMEDIATE RELEASE
MONDAY, MAY 3, 2004
WWW.USDOJ.GOV

AT
(202) 514-2007
TDD (202) 514-1888

BILL GATES TO PAY \$800,000 CIVIL PENALTY FOR VIOLATING ANTITRUST PREMERGER NOTIFICATION REQUIREMENTS

WASHINGTON, D.C. – William H. Gates III has agreed to pay an \$800,000 civil penalty to settle charges that he violated premerger reporting requirements, the Department of Justice announced today.

The Department's Antitrust Division, at the request of the Federal Trade Commission, filed a civil suit today in U.S. District Court in Washington, D.C. against Gates for violating the Hart-Scott-Rodino (HSR) Act of 1976. At the same time, the Department filed a proposed settlement, that if approved by the court, will settle the charges.

According to the complaint, Gates, through his personal investment company, acquired more than \$50 million of the voting securities of ICOS Corporation without complying with antitrust premerger notification requirements. Gates did not qualify for the "solely for the purpose of investment" exemption to those notification requirements because he intended to participate in the basic business decisions of ICOS through, among other things, his longstanding membership on the board of directors of ICOS.

ICOS is a pharmaceutical company headquartered in Bothell, Washington.

The case filed today is not related to Gates' position in Microsoft Corporation or the Department's antitrust litigation with the company.

The Hart-Scott-Rodino Act of 1976 imposes notification and waiting period requirements on individuals and companies over a certain size before they can consummate acquisitions of stock or assets valued at more than \$50 million. A party is subject to a maximum civil penalty of \$11,000 a day for each day it is in violation of the HSR Act. The complaint alleged that Gates was in violation of the Act from May 9, 2002 through August 26, 2002.

###